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## Senegal

### Cotton and Products Update

#### 2015 West Africa Cotton and Products Update

**Approved By:**

Jude Akhidenor, Regional Agricultural Attaché

**Prepared By:**

Fana Sylla, Agricultural Specialist

**Report Highlights:**

As initially forecasted in April 2015, C3+2 countries<sup>1</sup> produced 3.5 million bales (1.8 million tons) of seed cotton in MY2014/15 (Aug/July). Despite the delayed and intermittent rainy season, production increased by 17 percent compared to the last year's output, and a 2 percent increase compared to USDA official numbers. Chad and Mali played a key role in the overall production with 73 percent increase (142,000 tons) and 24.5 percent (548,000 tons), respectively compared to previous year's production. Nevertheless, Burkina Faso remains the top cotton producer in West Africa with 9.7 percent increase (710,000 tons) followed by Cote d'Ivoire 11 percent (450,000 tons). Senegal seed cotton production decreased 10 percent (26,000 tons). With a good start of the 2015/16 rainy season, the countries forecast MY2015/16 seed cotton production at 4 million bales (2.1 million tons). Due to the declining international cotton prices, most countries anticipate farm gate prices will either remain the same or increase marginally. Fixed prices in Burkina Faso and Mali increased 4 percent and 1 percent respectively while it decreased 6 percent in Cote d'Ivoire.

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<sup>1</sup> C3+2: Burkina Faso, Chad, , Mali - Cote d'Ivoire, and Senegal

## Table of Contents

<b>Executive Summary.....</b>	<b>3</b>
<b>MY 2014/2015 Cotton Update for Selected West African Countries..</b>	<b>3</b>
<b>Burkina Faso .....</b>	<b>3</b>
<b>Mali .....</b>	<b>4</b>
<b>Cote d'Ivoire .....</b>	<b>4</b>
<b>Senegal .....</b>	<b>5</b>
<b>Chad .....</b>	<b>5</b>
<b>Table 1: Seed Cotton Production: MY 2013/14 – MY 2015/16 .....</b>	<b>6</b>
<b>Table 2: Official Farm Gate Price for First Quality Seed Cotton MY 2011/12 – MY 2014/15 .....</b>	<b>6</b>
<b>Table 3: Official Input Price (fertilizer and Urea) MY 2011/12 – MY 2014/15 .....</b>	<b>7</b>
<b>Production, Supply, and Demand Data Statistics .....</b>	<b>7</b>

## **Executive Summary:**

C3+2 countries continue to increase seed cotton production. For MY2014/15, seed cotton production reached 3.5 million bales (1.8 million tons) representing 17 percent increase over the previous year and 2 percent increase compare to USDA official numbers.

Collectively, the countries forecast MY2015/16 seed cotton production at 4 million bales (2.1 million tons), a 13 percent increase. (See Table 1)

Burkina Faso, Cote d'Ivoire and Mali have announced their farm gate cotton prices. Due to the declining international prices, the countries marginally raised their farm gate cotton prices. Burkina Faso 4 percent and Mali 1 percent increase compared to the previous year's figures while Cote d'Ivoire reduced its price to 6 percent. Chad and Senegal have not yet announced their farm gate prices.

The countries have forecasted MY2015/16 seed cotton production at 4 million bales (2.1 million tons)

## **MY 2014/15 cotton update for selected West African countries and forecast for MY2015/16**

### **Burkina Faso**

Burkina Faso's final numbers for MY 2014/15 seed cotton production reached 1,478 bales (710,000 tons), a 1.4 percent increase compared to USDA official numbers and 9.7 percent increase from the previous year's.

Total area harvested for MY 2014/15 is reported at 660,600 hectares of which Bt cotton accounts for 70 percent. Yield is estimated at 1.044 tons per hectare.

Burkina Faso forecasts seed cotton production for MY2015/16 at 778,000 tons, a 9.5 percent increase from the previous year's figure.

Farm gate price for MY 2015/16 increased 4 percent (235 FCFA per Kg) compared to previous year's while input (fertilizer and urea) prices increased from 14,800 FCFA per kg to 15,000 F CFA per kg.

Cotton stakeholders dissatisfied with cotton fiber length of Monsanto's local variety of Bt cotton, decided to reduce area planted to Bt cotton in MY2015/2016 to 55 percent.

### **Mali**

Mali seed cotton production for MY2014/15 increased 24.5 percent compared to the previous year's with 1 million bales (548,000 tons) and remains the second largest cotton producing country after Burkina Faso. This production number represents 1.7 percent decrease compared to USDA official number. Area harvested and yield reached 540,000 hectares and 1.017 tons per hectare respectively.

Mali forecasts MY2015/16 seed cotton production at 650,000 tons, a 18 percent increase compared to the previous year amount. Farm gate fixed price for MY2015/16 increased 1 percent (237.5 F CFA per kg) and input prices remain the same compared to MY2014/15.

## **Cote d'Ivoire**

In MY 2014/15 Cote d'Ivoire produced 0.855 million bales (450,000 tons) representing 11 percent increase compared to previous year and 1.8 percent increase compared to USDA official numbers.

Area harvested of seed cotton reached 414,700 hectares giving a yield of 1.070 tons per hectare.

Farm gate cotton price for MY 2014/15 was finally fixed at 250 F CFA per kg with a government subsidy of 15 FCFA per kg.

Due to the decrease international cotton price, Cote d'Ivoire may not be able to raise the farm gate price for MY2015/16. It is most likely to fix it at 235 FCFA per kg representing 6 percent decrease compared to the previous year.

In August 2015, 90 percent of the cotton fiber was sold in the international market: Indonesia, Vietnam, and the United States.

Cotton stakeholders claimed that MY 2014/15 quality cotton decreased due to farmers' negligence. Some who did not adhere to technical requirements, and also did not cover their harvest to protect seed cotton from unexpected late rains.

A unique cotton classification office was established in the North of the country in Bouake where all ginning companies will classify their cotton fiber.

Post visited the cotton and cashew council in August 2015 and learned about many new initiatives. Among them:

- Develop a cotton production mapping zone. This map will allow each ginning factory to work closely with farmers located in a specific area.
- Improve seed quality
- Create an input fund that will buy at the same amount for all ginning and thereby harmonizing prices
- Revise fixing mechanism for cotton farm gate price. This new initiative could be applicable in MY 2016/17
- Establish an agreement between ginners, weaving and spinning companies. The director of the Council of Cotton and Cashew thinks that ginners should supply enough seeds and fiber to processing factories that have the capacity to process 12 to 15 percent of the overall national cotton production. Right now, only 2 to 3 percent is being processed in the country.

In MY 2015/16, due to late rains at the beginning of the planting season, area planted was reduced to 400,000 hectares. Consequently, Cote d'Ivoire anticipates producing the same quantity of seed cotton as in the previous year (450,000 tons).

## Senegal

MY 2014/15 seed cotton production in Senegal is estimated at 50,000 bales (26,000 tons), same number as USDA official number, representing a 10 percent decrease compared to the previous year's output.

This decrease is due to the late start of the rainy season followed by intermittent rains. Nevertheless, yield reached 1,059 tons per hectare compared to 0.850 tons per hectare initially forecasted.

Area harvested is estimated at 25,000 hectares.

For MY2015/16, Senegal forecasts to produce 35,000 tons, a 34 percent increase. With a good rainy season, the goal is most likely to be achieved.

Input and farm gate price have not yet been announced.

## Chad

Chad's seed cotton production has continued to increase over the past years.

For MY 2014/15 seed cotton production increased 73 percent compared to the previous year with 270,000 bales (142,000 tons). Area harvested is estimated at 255,800 hectares with a yield of 0.550 tons per hectare, the lowest in the region.

This growth represents 23 percent increase compared to USDA official numbers.

For MY2015/16, Chad forecasts 200,000 tons of seed cotton production, a 40 percent increase.

Input and farm gate prices have not yet been announced.

**Table 1: Seed Cotton Production: MY 2013/14 – MY 2015/16 (Aug-Jul)**

Selected Countries	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16
	Post Updated	Post Updated	Post Forecasted	Post Updated	Post Updated	Post Forecasted

	Data Production (000 Bales)	Data Production (000 Bales)	Data Production (000 Bales)	Data Production (000 Tons)	Data Production (000 Tons)	Data Production (000 Tons)
Burkina Faso	1,249	1,349	1,478	647	710	778
Mali	850	1,042	1,235	440	548	650
Cote d'Ivoire	780	855	855	405	450	450
Chad	158	270	380	82	142	200
Senegal	56	50	66	29	26	35
<b>Total</b>	<b>3,093</b>	<b>3,566</b>	<b>4,014</b>	<b>1,603</b>	<b>1,876</b>	<b>2,113</b>

(Source: FAS Dakar estimates and official country data)

\*1 Bale = 480 lbs

**Table 2: Official Farm Gate Price for First Quality Seed Cotton\*:  
MY 2013/14 - MY 2015/16**

Selected Countries	Official 2013/14 Farm Gate Price for First Quality (F CFA)	Official 2014/15 Farm Gate Price for First Quality (F CFA)	Official 2015/16 Farm Gate Price for First Quality (F CFA)
Burkina Faso	245 (\$0.40)	225 (\$0.37)	235 (\$0.39)
Mali	250 (\$0.42)	235 (\$0.39)	237.5 (\$0.40)
Cote d'Ivoire	254.5 (\$0.42)	250 (\$0.42)	235 (\$0.39)
Chad	240 (\$0.40)	240 (\$0.40)	N/A
Senegal	255 (\$0.42)	255 (\$0.42)	N/A

\*(Source: Official sources; \$1= 600 F CFA; F CFA per kg)

**Table 3: Official Input Price (Fertilizer and Urea) MY 2013/14 – MY 2015/16\***

Countries	Official 2013/14 Input Price (F CFA)	Official 2014/15 Input Price (F CFA)	Official 2015/16 Input Price (F CFA)
Burkina Faso	Fertilizer: 15,000 (\$25.8) Urea: 15,500 F (\$25.8)	Fertilizer: 14,800 (\$24.6) Urea: 14,800 (\$24.6)	Fertilizer: 15,000 (\$25.8) Urea: 15,000 (\$25.8)
Mali	Fertilizer: 12,500 F	Fertilizer: 11,000 (\$18.3)	Fertilizer: 11,000 (\$18.3)

	(\$20.8) Urea: 12,500 F (\$20.8)	Urea: 11,000 F (\$18.3)	Urea: 11,000 F (\$18.3)
Cote d'Ivoire	Fertilizer: 13,330 F (\$22.2) Urea: 11,500 F (\$19.1)	Fertilizer: 14,495 F CFA (\$24.1) Urea: 13,310 F CFA (\$22.1)	N/A
Chad	Fertilizer: 16,000 F (\$26.6) Urea: 15,000 F (\$25)	Fertilizer: 16,000 F (\$26.6) Urea: 15,000 F (\$25)	N/A
Senegal	Fertilizer: 9,000 F (\$15) Urea: 9,000 F (\$15)	Fertilizer: 12,500 F (\$20.8) Urea: 10,500 F (\$17.5)	N/A

\*(Source: Official sources; \$1= 600 F CFA; F CFA per kg)

**Production, Supply and Demand Data Statistics** (1000 Hectares (HA), 1000 480 lb. Bales, PERCENT, KG/HA)

Cotton	2013/2014		2014/2015		2015/2016	
Market Begin Year	Aug 2013		Aug 2014		Aug 2015	
Burkina	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0	0	0
Area Harvested	647	647	660	660	625	730
Beginning Stocks	270	270	255	254	370	338
Production	1250	1249	1330	1349	1200	1478
Imports	0	0	0	0	0	0
MY Imports from U.S.	0	0	0	0	0	0
Total Supply	1520	1519	1585	1603	1570	1816
Exports	1250	1250	1200	1250	1200	1500
Use	15	15	15	15	15	20
Loss	0	0	0	0	0	0
Total Dom. Cons.	15	15	15	15	15	20
Ending Stocks	255	254	370	338	355	296
Total Distribution	1520	1519	1585	1603	1570	1816

Cotton	2013/2014		2014/2015		2015/2016	
Market Begin Year	Aug 2013		Aug 2014		Aug 2015	
Chad	USDA Official	New post	USDA Official	New post	USDA Official	New post
Area Planted	0	0	0	0	0	0
Area Harvested	205	205	255	256	250	357
Beginning Stocks	38	38	35	35	55	45
Production	152	158	220	270	215	380
Imports	0	0	0	0	0	0
MY Imports from U.S.	0	0	0	0	0	0
Total Supply	190	196	255	305	270	425
Exports	145	151	190	250	210	375
Use	10	10	10	10	10	0
Loss	0	0	0	0	0	0
Total Dom. Cons.	10	10	10	10	10	0
Ending Stocks	35	35	55	45	50	50
Total Distribution	190	196	255	305	270	425

Cotton	2013/2014		2014/2015		2015/2016	
Market Begin Year	Aug 2013		Aug 2014		Aug 2015	
Cote d'Ivoire	USDA Official	New post	USDA Official	New post	USDA Official	New post
Area Planted	0	0	0	0	0	0
Area Harvested	445	445	414	415	415	440
Beginning Stocks	285	285	310	310	320	335
Production	780	780	840	855	775	855
Imports	0	0	0	0	0	0
MY Imports from U.S.	0	0	0	0	0	0
Total Supply	1,065	1,065	1,150	1,165	1,095	1,190
Exports	725	725	800	800	800	900
Use	30	30	30	30	30	30
Loss	0	0	0	0	0	0
Total Dom. Cons.	30	30	30	30	30	30
Ending Stocks	310	310	320	335	265	260
Total Distribution	1,065	1,065	1,150	1,165	1,095	1,190



<b>Cotton</b>	<b>2013/2014</b>		<b>2014/2015</b>		<b>2015/2016</b>	
<b>Market Begin Year</b>	<b>Aug 2013</b>		<b>Aug 2014</b>		<b>Aug 2015</b>	
<b>Mali</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>Area Planted</b>	0	0	0	0	0	0
<b>Area Harvested</b>	450	450	538	540	540	600
<b>Beginning Stocks</b>	246	246	271	271	406	388
<b>Production</b>	850	850	1060	1042	1000	1235
<b>Imports</b>	0	0	0	0	0	0
<b>MY Imports from U.S.</b>	0	0	0	0	0	0
<b>Total Supply</b>	1096	1096	1331	1313	1406	1623
<b>Exports</b>	800	800	900	900	1000	1200
<b>Use</b>	25	25	25	25	25	25
<b>Loss</b>	0	0	0	0	0	0
<b>Total Dom. Cons.</b>	25	25	25	25	25	25
<b>Ending Stocks</b>	271	271	406	388	381	398
<b>Total Distribution</b>	1096	1096	1331	1313	1406	1623

<b>Cotton</b>	<b>2013/2014</b>		<b>2014/2015</b>		<b>2015/2016</b>	
<b>Market Begin Year</b>	<b>Aug 2013</b>		<b>Aug 2014</b>		<b>Aug 2015</b>	
<b>Senegal</b>	<b>USDA Official</b>	<b>New post</b>	<b>USDA Official</b>	<b>New post</b>	<b>USDA Official</b>	<b>New post</b>
<b>Area Planted</b>	0	0	0	0	0	0
<b>Area Harvested</b>	32	32	25	25	30	35
<b>Beginning Stocks</b>	12	12	13	13	13	13
<b>Production</b>	56	56	50	50	55	66
<b>Imports</b>	0	0	0	0	0	0
<b>MY Imports from U.S.</b>	0	0	0	0	0	0
<b>Total Supply</b>	68	68	63	63	68	79
<b>Exports</b>	50	50	45	45	50	60
<b>Use</b>	5	5	5	5	5	5
<b>Loss</b>	0	0	0	0	0	0
<b>Total Dom. Cons.</b>	5	5	5	5	5	5

<b>Ending Stocks</b>	13	13	13	13	13	14
<b>Total Distribution</b>	68	68	63	63	68	79